STATEMENT OF BASIS (AI No. 86749)

for draft Louisiana Pollutant Discharge Elimination System permit No. LA0109568 to discharge to waters of the State of Louisiana.

THE APPLICANT IS:

Associated Marine Equipment, LLC

Derrick Crane Barges

1342 River Road/Highway 44

Reserve, LA 70084

ISSUING OFFICE:

Louisiana Department of Environmental Quality (LDEO)

Office of Environmental Services

Post Office Box 4313

Baton Rouge, Louisiana 70821-4313

PREPARED BY:

Kelli Hamilton

DATE PREPARED:

July 18, 2008

1. PERMIT STATUS

A. Reason For Permit Action:

Issuance of a Louisiana Pollutant Discharge Elimination System (LPDES) permit for a 5-year term.

B. LPDES permits - LPDES permit effective date: December 1, 2003

LPDES permit expiration date: November 30, 2008

C. Date Application Received: June 6, 2008

2. FACILITY INFORMATION

A. FACILITY TYPE/ACTIVITY - mobile midstream dry bulk transfer facility

The facilities are existing mobile derrick crane barges that perform loading and offloading of various commodities (see Attachment 1 in the permit for a list of commodities) midstream and dockside at various locations on the Mississippi River between the Head of Passes and Baton Rouge. The barges intermittently discharge external barge/rig washdown water and maintenance ballast water. The barges use Mississippi River water, without soaps or detergents, for washdown activities. The barges do not discharge sanitary wastewater.

B. FEE RATE

1. Fee Rating Facility Type: minor

2. Complexity Type: I*

3. Wastewater Type: III

4. SIC code: 4491

* In Appendix A - Section IV (Relation of 1987 to 1977 Industries) of the Standard Industrial Classification Manual, the SIC code 4491 is equivalent to a previous SIC code of 4463. As per LAC33:IX.1319 Table I, SIC code 4463 is assigned Complexity Type II. The Complexity Type has been BPJ'd from II to 1 to match other similar facilities.

> C. LOCATION - between the Head of Passes and Baton Rouge (River Miles 0 to 229) on the Mississippi River, within Plaquemines, Orleans, St. Bernard, Jefferson, St. Charles, St. John the Baptist, St. James, Ascension, Iberville, East Baton Rouge, West Baton Rouge Parishes

3. OUTFALL INFORMATION

Outfall *A

Discharge Type: external barge/rig washdown water when transferring commodities other than coal

or coke

Treatment: none

Location: at the point of discharge from the barge prior to combining with other waters

Flow: intermittent

Discharge Route: Mississippi River

Outfall *B

Discharge Type: maintenance ballast water

Treatment: none

Location: at the point of discharge from the barge prior to combining with other waters

Flow, intermittent

Discharge Route: Mississippi River

Outfall *C

Discharge Type: external barge/rig washdown water when transferring coal or coke

Treatment: none

Location: at the point of discharge from the barge prior to combining with other waters

Flow: intermittent

Discharge Route: Mississippi River

* The numbering convention for each barge is listed in Attachment 2 of the permit. For this permit, the different wastestreams are referred to as A, B, or C, and the different barges will be designated as 01, 02, etc. (see Attachment 2).

4. RECEIVING WATERS

STREAM - Mississippi River

BASIN AND SEGMENT - Mississippi River Basin, Segment 070301

DESIGNATED USES - a. primary contact recreation

b. secondary contact recreation

c. propagation of fish and wildlife

d. drinking water supply

5. TMDL STATUS

The discharges from Associated Marine Equipment, LLC are to the Mississippi River, Subsegment 070301 of the Mississippi River Basin. Subsegment 070301 is not listed on LDEQ's Final 2006 303(d) List as impaired, and to date no TMDL's have been established. A reopener clause will be established in the permit to allow for the requirement of more stringent effluent limitations and requirements as imposed by any future TMDLs.

6. PROPOSED EFFLUENT LIMITS

BASIS - See Rationale below.

Summary of Proposed Changes From the Current LPDES Permit: Outfall C has been added to this permit. Glenn S. Derrick Barge was added to the list of covered vessels.

7. COMPLIANCE HISTORY/COMMENTS

- No records of recent compliance actions were found.
- DMR Review/Excursions DMRs were reviewed from March 2006 to March 2008. All DMRs for Outfall B indicated "No Discharge".

8. EXISTING EFFLUENT LIMITS

Outfall *A: external barge/rig washdown water

Based on BPJ and on permits for similar facilities, no effluent limitations were established for external barge/ rig washdown water. Best Management Practices (BMPs) for barge operations were listed in Part II.

Outfall *B: maintenance ballast water

Pollutant	Monthly Average	Daily Maximum	Frequency
Flow	Report	Report	1/discharge
COD		250 mg/L	1/discharge
Oil & Grease		15 mg/L	1/discharge
pH Min/Max Values	6.0 (min)	9.0 (max)	1/discharge

Testing is only required if a visible oil sheen is present.

9. ENDANGERED SPECIES

The receiving waterbody, Subsegment 070301 of the Mississippi River Basin, has been identified by the U.S. Fish and Wildlife Service (FWS) as habitat for the Pallid Sturgeon, which is listed as an endangered species. LDEQ has not submitted this draft permit to the FWS for review in accordance with a letter dated October 24, 2007 from Boggs (FWS) to Brown (LDEQ). As set forth in the Memorandum of Understanding between the LDEQ and the FWS, and based on information provided by the FWS, LDEQ has determined that the issuance of the LPDES permit is not likely to have an adverse effect upon the Pallid Sturgeon. The effluent limitations established in the permit ensure protection of aquatic life and maintenance of the receiving water as aquatic habitat. Therefore, the issuance of the LPDES permit is not likely to have an adverse effect on any endangered or candidate species or the critical habitat.

10. HISTORIC SITES

The discharge is from an existing facility location, which does not include an expansion on undisturbed soils. Therefore, there should be no potential effect to sites or properties on or eligible for listing on the National Register of Historic Places, and in accordance with the "Memorandum of Understanding for the Protection of Historic Properties in Louisiana Regarding LPDES Permits" no consultation with the Louisiana State Historic Preservation Officer is required.

11. TENTATIVE DETERMINATION

On the basis of preliminary staff review, the Department of Environmental Quality has made a tentative determination to issue a permit for the discharge described in the application.

12. PUBLIC NOTICES

Upon publication of the public notice, a public comment period shall begin on the date of publication and last for at least 30 days thereafter. During this period, any interested persons may submit written comments on the draft permit and may request a public hearing to clarify issues involved in the permit decision at this Office's address on the first page of the statement of basis. A request for a public hearing shall be in writing and shall state the nature of the issues proposed to be raised in the hearing.

Public notice published in:

Local newspaper of general circulation

Office of Environmental Services Public Notice Mailing List

13. STORM WATER POLLUTION PREVENTION PLAN (SWP3) REQUIREMENT

Please note that the stormwater runoff from facilities with the SIC 4491 is classified as "stormwater associated with industrial activity" as per LAC33:IX.2511B.14.h. when this facility type has vehicle maintenance shops, equipment cleaning operations, or airport deicing operations. However, it is considered that the barge BMPs are comparable to the stormwater pollution prevention plan requirements; therefore, the barge BMPs will be applied instead.

Rationale for Associated Marine Equipment, LLC

1. Outfall *A - the intermittent discharge of external barge/rig washdown when transferring commodities other than coal or coke

Pollutant
Limitation Reference
Mo. Avg: Daily Max
(mg/l)

No Limits BPJ; existing permits for similar outfalls

Treatment: none

Monitoring Frequency: None (BPJ; existing permits for similar outfalls)

Limits Justification: BPJ; language has been included in Part II which addresses pollution prevention practices for the washdown activity; this is consistent with existing permits for similar outfalls.

2. Outfall *B - the intermittent discharge of maintenance ballast water

Pollutant	Limitation Mo. Avg: Daily Max (mg/l)	Reference	
Flow (gpd) COD Oil & Grease pH standard units	Report: Report: 250: 15 6.0: 9.0 (min): (max)	(*1), (*2) (*1) (*1) (*1), (*3)	
	()· ()		1

Treatment: none

Monitoring Frequency: Once per discharge event (may be discharged without sampling provided there is no visible sheen; flow and the presence or absence of a sheen shall be recorded for <u>all</u> discharges) - based on BPJ per LDEQ's current practices for permitting ballast water discharges and existing permits for similar outfalls.

Testing for COD, Oil & Grease, and pH is only required if a visible oil sheen is present. If a visual inspection can be conducted, the compartment containing the ballast water must be inspected for a visible sheen prior to the discharge event. If a visible oil sheen is observed in the compartment containing the ballast water prior to the discharge event or if an oil sheen is observed during the discharge event, testing for COD, Oil & Grease, and pH is required.

Limits Justification: The effluent limitations are based on BPJ per LDEQ's current practices for permitting ballast water discharges, LAC 33:IX.2707.I.1.b, and LAC 33:IX.1113C.1 and existing permits for similar outfalls.

- (*1) LDEQ's current practices for permitting ballast water discharges
- (*2) LAC 33:IX.2707.I.1.b
- (*3) LAC 33:IX.1113.C.1

3. Outfall *C - the intermittent discharge of external barge/rig washdown when transferring coal or coke

Pollutant	<u>Limitation</u> Mo. Avg: Daily Max (mg/l)	Reference	; !
Flow (gpd) COD TSS pH standard units	Report: Report 250: 400 Report: Report 6.0: 9.0 (min): (max)	(*1) (*1) (*1) (*1)	;

Treatment: none

Monitoring Frequency: once per discharge event for all parameters (BPJ; existing permits for similar outfalls)

Limits Justification: Limits are based on LDEQ Office practices for permitting coal and/or coke barge washwater.

(*1) LDEQ Office practices for permitting coal and/or coke barge washwater

GPD Gallons Per Day

BPJ Best Professional Judgment

su Standard Units

* The numbering convention for each barge is listed in Attachment 2 of the permit. For this permit, the different wastestreams are referred to as A, B, or C, and the different barges will be designated as 01, 02, etc. (see Attachment 2).

NOTE

For outfalls containing concentration limits, the usage of concentration limits is based on BPJ for similar outfalls since the flow is variable and estimated.

This facility is not subject to Effluent Limitations Guidelines for Transportation Equipment Cleaning, 40 CFR Part 442, because, in accordance with 40 CFR 442.1.a, "this part applies to discharges resulting from cleaning the interior of tanks used to transport chemical, petroleum or food grade cargos." This facility does not clean the interior of tanks. Only top deck washing of floating derrick crane barges is performed.